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UBS Asset Management (Australia) Ltd  
ABN 31 003 146 290  
AFSL 222605

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The Trust Company (PTAL) Limited  
PO Box N774  
Grosvenor Place  
SYDNEY NSW 1220

11 August 2023

Dear Investor,

Please find enclosed a letter for your information containing details of a change to the UBS Balanced Investment Fund, including a change to the Investment Guidelines of the Fund. These changes are summarised in the attached Event Notice.

If you have any questions about your investment, please call our Client Services Team on 1800 572 018 (Australia wide) or Internationally on +61 3 9046 4041 or email [ubs@unitregistry.com.au](mailto:ubs@unitregistry.com.au).

Yours sincerely,  
Glen Rice  
Head of Product  
UBS Asset Management (Australia) Ltd



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**Notice of changes to Managed Investment Schemes**

**Impacted Scheme:** UBS Balanced Investment Fund (ARSN: 090 430 210) and UBS Defensive Investment Fund (ARSN: 090 430 881) (each a ‘Scheme’)

This event notice is to advise of changes to the strategic asset allocations and investment guidelines for the UBS Balanced Investment Fund and UBS Defensive Investment Fund, which will be reflected in each of the Scheme’s product disclosure statements (‘PDS’) with effect on or about 20 September 2023 (‘Effective Date’).

As described in Section 5 of the Scheme’s PDS, ‘How we invest your money’, each Scheme is comprised of a diversified portfolio of growth, income and alternative assets that is managed within an asset allocation framework that describes the neutral allocation and strategy ranges for each asset class.

The change follows a portfolio management review of the strategic asset allocations and investment guidelines for each of the Schemes.

The changes aim to enhance the efficiency of the portfolio construction, and increase asset class diversification for investors, with an additional focus on alternative assets.

From the Effective Date, the PDS will be re-issued with the updated asset allocation framework as follows:

**UBS Balanced Investment Fund**

| Asset Allocation <sup>1</sup> | Neutral %  | Range % <sup>2</sup> |
|-------------------------------|------------|----------------------|
| <b>Growth Assets</b>          |            |                      |
| Large Cap Australian Equities | 26         | 45 – 85              |
| Small Cap Australian Equities | 3          |                      |
| DM International Equities     | 25         |                      |
| EM International Equities     | 4          |                      |
| Real Estate Equities          | 2          |                      |
| Infrastructure Equities       | 5          |                      |
| <b>Total Growth Assets</b>    | <b>65</b>  |                      |
| <b>Income Assets</b>          |            |                      |
| Australian Fixed Income       | 8          | 5 – 45               |
| International Fixed Income    | 8          |                      |
| US High Yield                 | 4          |                      |
| Cash and Cash Equivalents     | 5          |                      |
| <b>Total Income Assets</b>    | <b>25</b>  |                      |
| <b>Alternative Assets</b>     |            |                      |
| Alternatives                  | 10         | 0 – 20               |
| <b>Total Asset Allocation</b> | <b>100</b> |                      |

**Hedging and Foreign Currency Exposure**

The Neutral Allocation of the Fund includes allocations to unhedged, non-AUD investment exposures. The non-AUD exposures include the allocations to:

- DM International Equities
- EM International Equities
- Real Estate Equities
- Infrastructure Equities

The Neutral non-AUD exposure of the Fund is 36% - this would mean that (in the neutral state) 36% of the value of the Fund’s portfolio would be denominated in a currency other than AUD, with exposure of that foreign currency to AUD being unhedged. The Portfolio Manager may take tactical investment decisions through its underlying investments (including derivative trading) to actively manage the non-AUD exposure at a Fund level with the range outlined below.

| FX Exposure         | Neutral % | Range % |
|---------------------|-----------|---------|
| Non-AUD FX Exposure | 36        | 0 - 60  |

1- Ranges may be exceeded from time to time due to market movements or significant cashflows.

2 - Exposure may include derivatives.

## UBS Defensive Investment Fund

| Asset Allocation <sup>1</sup> | Neutral %  | Range % |
|-------------------------------|------------|---------|
| <b>Growth Assets</b>          |            |         |
| Large Cap Australian Equities | 12.5       | 10 – 50 |
| Small Cap Australian Equities | 1          |         |
| DM International Equities     | 9.5        |         |
| EM International Equities     | 2          |         |
| Real Estate Equities          | 1          |         |
| Infrastructure Equities       | 4          |         |
| <b>Total Growth Assets</b>    | <b>30</b>  |         |
| <b>Income Assets</b>          |            |         |
| Australian Fixed Income       | 24         | 40 – 80 |
| International Fixed Income    | 24         |         |
| US High Yield                 | 7          |         |
| Cash                          | 5          |         |
| <b>Total Income Assets</b>    | <b>60</b>  |         |
| <b>Alternative Assets</b>     |            |         |
| Alternatives                  | 10         | 0 – 20  |
| <b>Total Asset Allocation</b> | <b>100</b> |         |

1- Ranges may be exceeded from time to time due to market movements or significant cashflows.

2 - Exposure may include derivatives.

### Hedging and Foreign Currency Exposure

The Neutral Allocation of the Fund includes allocations to unhedged, non-AUD investment exposures. The non-AUD exposures include the allocations to:

- DM International Equities
- EM International Equities
- Real Estate Equities
- Infrastructure Equities

The Neutral non-AUD exposure of the Fund is 16.5% - this would mean that (in the neutral state) 16.5% of the value of the Fund's portfolio would be denominated in a currency other than AUD, with exposure of that foreign currency to AUD being unhedged. The Portfolio Manager may take tactical investment decisions through its underlying investments (including derivative trading) to actively manage the non-AUD exposure at a Fund level with the range outlined below.

| FX Exposure         | Neutral % | Range % |
|---------------------|-----------|---------|
| Non-AUD FX Exposure | 16.5      | 0 - 30  |

As a result of the change in the asset allocation framework as outlined above, the following section of the Scheme PDS has been updated to reflect the change:

- Section 5, How we invest your money

A copy of each of the Scheme's PDS, PDS addition information and Target Market Determination is available on our website <https://www.ubs.com/au/en/asset-management.html> or by calling (03) 9046 4041 or 1800 572 018.

### Contact information

The information in this notice is general information only and does not take into account your personal objectives, financial situation or needs. If you require any further information relating to the changes outlined in this notice, please contact your adviser or call Client Services on (03) 9046 4041 or toll free on 1800 572 018 between 8:30 am and 5:30 pm (Sydney time) Monday to Friday.

Kind regards



Glen Rice  
 Head of Product  
 UBS Asset Management (Australia) Ltd